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a liquid crystal including liquid crystal molecules and arranged between the first substrate and the second substrate, wherein the liquid crystal exhibits a different orientation for each one of the plurality of subpixels; a first polarizer arranged on the top surface of the liquid crystal cell; a second polarizer arranged on the bottom surface of the liquid crystal cell; and an optically biaxial retardation film associated with a plurality of different refraction indices and provided at least between one of the first polarizer and the second polarizer and the liquid crystal in order to compensate for a dependence of optical characteristics including a transmission on a viewing angle and a contrast on the viewing angle, wherein the plurality of different refraction indices include at least:

a first refraction index n_z occurring along an axis that is essentially parallel to a normal to the liquid crystal cell in the retardation film, and

a second refraction index n_e occurring along an axis that is essentially perpendicular to an orientation of the liquid crystal molecules with respect to a corresponding adjacent one of the first substrate and the second substrate in the retardation film.--.



REMARKS

I. Claims

Applicants respectfully inform the Examiner that claim 19 is not pending since it was canceled in the Preliminary Amendment. Claims 20-38 are now pending. Claim 20 has been amended to correct informalities. Claims 20-38 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over WO-A-96/10775 ("Sarma") in view of U.S. Patent No. 5,594,568 ("Abileah et al.").

II. The Rejection of Claims 20-38 under 35 U.S.C. § 103(a) Should be Withdrawn

Claims 20-38 stand rejected under 35 U.S.C. § 103(a). Applicants respectfully submit that this rejection should be withdrawn for at least the following reasons.

In order for a claim to be rejected for obviousness under 35 U.S.C. § 103(a), not only must the prior art teach or suggest each element of the claim, but the prior art must also suggest combining the elements in the manner contemplated by the claim. See Northern Telecom, Inc. v. Datapoint Corp., 908 F.2d 931, 934 (Fed. Cir. 1990), cert. denied, 111 S. Ct.